

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

JASON GALL and ALI ALTHOFF,)	
)	
Plaintiffs,)	Case No.: 1:24-cv-5982
)	
v.)	Hon. Robert W. Gettleman
)	
ASCEND CAPVENTURES, INC., WILL)	
BASTA, and JEREMY LEUNG,)	
)	
Defendants.)	

PLAINTIFF'S STATUS REPORT

Plaintiffs, Jason Gall and Ali Althoff, through their attorneys, Tarpey Wix LLC, for their Status Report, states as follows:

A. This matter is set for a status report before the court on Friday, September 13, 2024.

B. Attorneys of record for the parties are as follows:

Plaintiffs: Jason Gall and Ali Althoff

David G. Wix, Esq. – expected to try the case
Tarpey Wix, LLC
225 W. Wacker Drive, Suite 1515
Chicago, IL 60606
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Defendants: Ascend Capventures, Inc. (“Ascend”), Will Basta and
Jeremy Leung

Attorneys for Defendants unknown at this time; no appearance notice has
been filed.

C. This Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1332 as the matter in question exceeds the sum of \$75,000.00 and involves citizens of different states. This Court has supplemental jurisdiction over the state law claims pursuant to 28 U.S.C. § 1367.

D. A jury has been requested by attorneys for Plaintiffs.

E. This is a breach of contract, fraud, and deceptive business practices case. In or around June 2023, Defendants made false statements to Plaintiffs that Defendants could provide services to prepare, manage, and operate Amazon.com and Walmart.com ecommerce stores on Plaintiffs' behalf. Based on these false statements, Plaintiffs entered into a Seller Management Agreement with Ascend and paid an Initial Service Fee of \$93,000 ("Service Fee") as well as \$49,388.96 for inventory ("Inventory Fee") to stock their Amazon store. Since that time, Defendants have failed to manage and operate the Amazon store and have failed to return the Service and Inventory Fees despite guarantees contained in the Seller Management Agreement.

F. The relief being sought by Plaintiffs is compensatory damages in the amount of \$142,388.96, punitive damages and reasonable attorneys' fees plus costs of suit.

G. Defendants Basta and Leung have not been served to date. Plaintiffs have attempted to serve both individuals on numerous occasions at several different addresses obtained through skip traces. None of those attempts have been successful and Plaintiffs have not been able to locate Basta and Leung to date. Plaintiffs are continuing to investigate the location of Basta and Leung so they can be served.

Defendant Ascend was served through its registered agent on July 24, 2024 but has not yet appeared or answered the Complaint. Plaintiffs have filed a Motion for Default against Ascend contemporaneously with this Status Report.

H. The principal legal issues include: whether Defendant Ascend breached the Seller Management Agreement; whether Defendants committed fraud in inducing Plaintiffs to enter into the Seller Management Agreement; whether Defendants violated the Illinois Consumer Fraud and Deceptive Business Practices Act; and whether Defendants Basta and Leung are liable for Ascend's conduct by piercing the corporate veil or alter-ego liability.

I. The principal factual issues are Plaintiffs' contentions that Defendants made knowingly false statements to induce Plaintiffs to enter into the Seller Management Agreement; Ascend's failure to abide by its obligations under the Seller Management Agreement; whether Defendants used any deception, fraud, false pretense, false promise, misrepresentation or the concealment of any material fact with the intent that Plaintiffs rely upon the concealment, suppression or omission of material facts; and whether Ascend was the alter-ego of Basta and Leung such that the corporate existence of Ascend should cease to exist.

J. Plaintiffs have filed a Motion for Default Judgment against Ascend.

K. No discovery has been conducted to date. If Ascend appears and once Plaintiffs locate and serve Defendants Basta and Leung, Plaintiff expects to engage in written discovery and depositions. Plaintiffs do not anticipate requiring experts in this case. Plaintiffs expect that discovery in this case can be completed in six (6) months after the parties are at issue.

L. Plaintiffs anticipate that this case could be ready for trial in the summer of 2025. Plaintiffs anticipate that the length of the trial would be 3-4 days.

M. No settlement discussions have been conducted to date.

N. Plaintiffs consent to jurisdiction and trial before a magistrate judge. Defendants position is unknown at this point.

DATED: September 13, 2024

Respectfully submitted,

Jason Gall and Ali Althoff

/s/ David G. Wix

One of Their Attorneys

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